

Serial No. 10/766,656

PATENT  
Docket No. IGA-0180-US

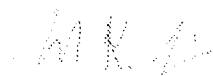
**PATENT**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant:	Robert J. Wright	Examiner:	Paul Anthony D'Agostino
Serial No.	10/766,656	Group Art Unit:	3714
Filed:	January 27, 2004	Docket No.	IGA-0180-US
Title:	SYSTEM AND METHOD OF PROVIDING A GUARANTEE IN A LOTTERY		
Customer No.:	65449		

**CERTIFICATE OF TRANSMISSION**

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Name: Samuel K. Simpson

**REPLY TO EXAMINER'S ANSWER**

MAIL STOP: APPEAL BRIEF - PATENTS  
Commissioner for Patents  
Post Office Box 1450  
Alexandria, Virginia 22313-1450

Dear Sir/Madam:

This reply is in response to the Examiner's Answer dated December 3, 2008 ("Examiner's Answer"). Appellant respectfully submits that the Grounds of Rejection stated in the Examiner's Answer should not be maintained for the reasons stated in the Appeal Brief dated August 13, 2008 ("Appeal Brief"). For succinctness, Appellant shall

not reiterate those reasons in this reply. However, Appellant shall address each of the Examiner's responses to the Appeal Brief in order below.

**A. *Assumption of Risk for a Lottery***

With respect to claim 1, Appellant argued in the Appeal Brief that U.S. Patent No. 6,840,857 to Ghela ("Ghela") does not assume risk of a lottery, i.e., remove the risk of the lottery, because Ghela is directed toward **insurance for a player** as opposed to **insurance for a lottery entity**. See Appeal Brief, pages 9-11. The Examiner's Answer states that "[t]he claims, given the broadest reasonable interpretation and read in the light of the specification, broadly read on lottery risk in general." See Examiner's Answer, page 7. Appellant respectfully submits that the broadest possible reading of claim 1 when read in light of the specification is not so encompassing as to include insuring the risk of the player. On the contrary, a specific risk, i.e., the risk of a lottery, is identified in claim 1. The risk of a lottery is actually minimized when more players take risk. For example, the more players that risk wagers to win a lottery prize results in more ticket sales revenue and less risk to a lottery. Therefore, Appellants submit that an inference of risk to a lottery cannot be concluded from a reference such as Ghela that is directed toward risk to a player. Further, the Specification provides no indication that the risk of the lottery player is being assumed, but provides numerous examples of the risk of the lottery as an entity being assumed. For example, the Specification states "[i]n one embodiment, the jackpot guarantor 202 provides a guarantee to the lottery operator 102." See Specification, paragraph [0039]. Appellant respectfully submits that claim 1 ***when read in light of the Specification*** cannot be directed towards a guarantee for a player. Accordingly, Appellant submits that the Examiner's Answer has taken an overly broad interpretation of claim 1 that is not indicated by the Specification in order to contend a teaching by Ghela.

Further, the Examiner's Answer contends that "[a]ssuming that the lottery itself is either self-insured or acquired insurance is implied as to operate at several echelons to properly execute a guarantee." See Examiner's Answer, page 7. The Examiner's Answer concludes an implication from an assumption rather than a clear indication of a teaching by

Ghela of self-insurance or an acquiring of insurance. The Examiner's Answer has not provided any citation to Ghela that one of ordinary skill in the art would read to understand such an assumption to make such an implication. Ghela simply does not provide a teaching of a lottery being self-insured or acquiring insurance.

Appellant submits that Ghela does not provide a teaching of a lottery assuming a risk. Accordingly, Appellant submits that the rejection under 35 U.S.C. § 102(e) should be withdrawn.

**B. *Prior To***

Appellant argued throughout the Appeal Brief that Ghela's applicability to insuring a player rather than an entity makes the applicability of Ghela to the claims infeasible. One of the clearest examples of such infeasibility is with respect to providing the guarantee prior to ticket sales. If the guarantee is provided to a lottery entity, as clearly described in the Specification, the transaction can be completed prior to any ticket sales because the transaction is between the guarantor and the lottery entity. However, if insurance is provided to the player, the transaction cannot be completed prior to a ticket sale because the player has to buy a ticket to be insured. Further, the player may optionally elect not to even purchase the insurance in Ghela. If a player chooses not to have insurance, the player has not been provided with insurance.

The Examiner's Answer contends that "[a] lottery necessarily must ensure the ability to deliver services before making an offer to the public at large." See Examiner's Answer, page 7. Further, the Examiner's Answer contends that "[i]n Ghela, one can reasonably assume that the lottery has secured the ability to guarantee players a payoff before making the offer to mark an insurance box on a lottery selection sheet." However, claim 1 is not directed toward an ability to provide a guarantee prior to ticket sales. On the contrary, claim 1 specifically recites that the guarantee is provided prior to ticket sales. The insurance in Ghela is not provided before the player purchases a lottery ticket. The time at which the insurance is *offered* in Ghela is not pertinent because the insurance is not actually *provided* before a ticket sale. For example, a player in Ghela that has not

purchased a lottery ticket could not be deemed a guarantee recipient and the lottery could not be deemed a guarantor for that player. On the contrary, a prize guarantor of claim 1 could be deemed a guarantor for a lottery entity that is a guarantee recipient prior to any ticket sales. The distinction results from claim 1 being directed toward assuming risk of a lottery, not a player.

Further, the Examiner's Answer contends that "[t]hus, Appellant's argument is misplaced in that the lottery has its guarantee in place prior to a sale of a ticket to a player." See Examiner's Answer, page 7. In addition, the Examiner's Answer contends that "[i]t is not the players [sic] choice of insurance that invokes the guarantee." See Examiner's Answer, page 7. Appellant respectfully submits that the player's choice in Ghela clearly does invoke the guarantee. Figure 1 of Ghela illustrates a "payout insurance option 28." If no player in the lottery game selects that payout insurance option, the lottery would not provide any insurance to any player. The lottery in that situation would have no insurance obligation whatsoever. In Ghela, a guarantee may be offered, but is not provided to a player, unless a player chooses to purchase the payout insurance option 28.

**C. *Different Risk***

With respect to claim 6, the Examiner's Answer contends that

"Ghela is viewed for all that it teaches and one skilled in the art would reasonably know that what is implicitly taught in Ghela is that ability to honor all payoffs in a function of the solvency of the lottery provider. This solvency comes from the ability to take in more than what is [sic] has to payout. This is not such a strained analysis to arrive at the conclusion that total sales must exceed total prize payouts. Since Ghela is not limited to player risk and the guarantee in light of Ghela implicitly covers the claimed reason for the need for a guarantee, the rejection of the claims is maintained." See Examiner's Answer, page 8.

Appellant respectfully submits that one skilled in the art would not necessarily conclude that "total sales must exceed total payouts" as suggested by the Examiner's Answer. For example, one of ordinary skill in the art of the lottery industry knows that prizes may often

be paid partially from revenues generated from other non-lottery services in a jurisdiction. The prizes may even be paid from revenues generated in previous lottery drawings. As a result, the ticket sales for a particular lottery drawing may actually be less than an offered prize. Further, the Examiner's Answer suggests that Ghela is not limited to player risk, but provides no support for this contention in Ghela. Ghela is directed toward player risk and provides no teaching, explicitly or implicitly, of how to minimize lottery risk.

The risk indicated by Ghela is different than the risk recited by claim 6. The risk of Ghela is that a player does not get paid **immediately**. See Ghela, col. 4, lines 27-31. The risk identified in claim 6 is that ticket sales revenue is not greater in size than the payment of the prize. Ghela is not directed toward this risk.

**D. *Guarantee Effectuated to a Jurisdiction***

Much of the Final Office provides citations to teachings of Ghela for insurance being provided to a player. In the Appeal Brief, Appellant attempted to explain that if Ghela is teaching that insurance is provided to player, then Ghela does not provide a teaching for the guarantee being provided to a jurisdiction. The Examiner's Answer responded by stating: "[c]laim 8 is directed to the guarantee being in effect in a jurisdiction." Appellant respectfully submits that claim does not recite the claim language "the guarantee being in effect in a jurisdiction." On the contrary, claim 8 recites "the providing the guarantee is effectuated to a jurisdiction." The subtle distinction is important because claim 8 identifies the recipient of the guarantee as being the jurisdiction whereas the language stated by the Examiner's Answer identifies the location of the guarantee. According to the language of claim 8, the recipient of the guarantee is the jurisdiction, not the player. Further, when claim 8 is read in light of the Specification, the jurisdiction is viewed as a recipient of the guarantee rather than merely a geographic location. See Specification, paragraph [0023] ("The entity provides a guarantee to a jurisdiction that a pre-determined lottery prize will be paid if there is a winner of the lottery. In exchange for the guarantee, the jurisdiction provides a stipulation that a percentage of future ticket sales revenue will be paid to the entity.").

The Examiner's Answer cites to col. 5, lines 30-36, which states

“In the illustrated embodiment, there are six selected number boxes, each containing one selected playing symbol 43. In other embodiment, more or fewer boxes may be selected. An information region 44 may contain information about the lottery operator, such as the name of a particular state, along with any other information relative to the lottery.”

The cited portion of Ghela does not teach that the recipient of the guarantee is the jurisdiction. On the contrary, the cited portion of Ghela is consistent with Appellant's assertion that Ghela is directed toward providing insurance to a player. The cited portion of Ghela only adds that information about the lottery operator that provides the lottery ticket to the player can be indicated on the selection sheet.

**E. *Guarantee Assumes the Risk of the Lottery***

With respect to claim 9, the Examiner's Answer states “Examiner respectfully disagrees and refers Appellant back to the preceding sections wherein both the general nature of the risk as claimed and the implied teachings of Ghela anticipate Appellant's claims.” Appellant respectfully submits that the guarantee assuming the risk of the lottery is not general, but rather specific. For instance, claim 9 specifically does not include assuming the risk of a player because claim 9 clearly assumes the risk of the lottery. Further, as discussed above, Ghela does not provide any teaching, implicitly or explicitly, for assuming the risk of the lottery.

**F. *Establishing a Lottery***

With respect to claims 35-36, 40-44, and 64-66, Appellants explained in the Appeal Brief that a lottery is only established upon receipt of the guarantee. See Appeal Brief, pages 15-16. If the guarantee is not received, the lottery is not established. The lottery of Ghela is established irrespective of whether a guarantee is received because the only guarantee taught in Ghela is optional insurance for a player. For example, Ghela allows the establishment of a lottery for which no players may possibly purchase insurance. On the contrary, claims 35-36, 40-44, and 64-66 are directed to the lottery not even being able

to be established to sell lottery tickets if a guarantee is not first received. As discussed above, insurance for a player as taught by Ghela is clearly distinguishable from the guarantee that is provided in the claims on Appeal. The recitation of the establishing of the lottery being conditioned on receipt of the guarantee makes clear that the guarantee is lottery specific and not player specific because one of ordinary skill in the art can reasonably conclude that a lottery, not a player, controls the establishing of the lottery.

The Examiner's Answer states "[a]s previously explained, it is reasonably concluded from Ghela that the infrastructure of a lottery system is already in place and guarantees (insurance to the lottery itself) is in place before what is explicitly disclosed in Ghela as it relates to the players [sic] ability to acquire insurance." See Examiner's Answer, pages 8-9. Appellant respectfully submits that the only insurance taught in Ghela is insurance for a player. Appellant submits that insurance for a lottery is not a reasonable inference that can be deduced from Ghela. For example, if the lottery of Ghela obtained insurance, then Ghela would be teaching that the lottery obtains a first insurance for itself so that that the lottery can then provide a second insurance to the player. The attempt by the Final Office Action to fit Ghela within the claims only leads to a complicated interpretation of Ghela that is simply not workable and not supported.

Appellant respectfully submits that Ghela does not teach, explicitly or implicitly, a guarantee as a condition to establishing a lottery.

**G. *Combination of Walker in view of Ghela***

With respect to the combination of U.S. Patent No. 6,869,362 to Walker et al. ("Walker") in view of Ghela, neither the Final Office Action nor the Examiner's Answer have provided any support in Ghela or Walker for a prize that is predetermined. In other words, the amount of the prize is known before the prize is won.

Further, the Examiner's Answer has not addressed the argument mentioned in the Appeal Brief that neither Walker nor Ghela teach a game of chance creation module. As explained in the Appeal Brief, the creation of the games in Walker and Ghela is not dependent on the receiving of a guarantee. Those games of Walker and Ghela will be

created whether or not the insurance taught in Ghela is provided to a player. However, claims 45-52 make clear that the game of chance will be established only if the guarantee is received. If the guarantee is not received in claims 45-52, the game of chance will not be established. The combination of Walker in view of Ghela simply does not teach that condition.

### **CONCLUSION**

In this reply, Appellant has discussed the specific responses raised in the Examiner's Answer to the Appeal Brief. However, Appellant also maintains the original arguments presented in the Appeal Brief. Appellant submits that neither the Final Office Action nor the Examiner's Answer have provided adequate support in the references for maintaining the rejections in the Final Office Action. The crux of the arguments in the Final Office Action and the Examiner's Answer rely on unsupported implications. One of ordinary skill in the art reading a reference such as Ghela *independently of the claims* would simply not find a teaching, explicitly or implicitly, of the claim recitations. As discussed above, the attempt to fit Ghela within the claims is not supported and not workable.

Accordingly, Appellant contends that the rejections are traversed and overcome, in light of the arguments presented above. The allowance of all claims on Appeal is therefore respectfully requested.

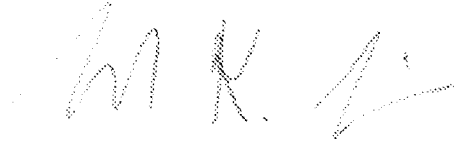


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Respectfully submitted,

PATENT INGENUITY, P.C.

A handwritten signature in dark ink, appearing to read "S.K. Simpson", written over a horizontal line.

Date: January 29, 2009

By \_\_\_\_\_  
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